PERFORMANCE MEASUREMENTS, STANDARDS, AND ENFORCEMENT ACTIONS

Operator Services and Directory Assistance[13]

The **Mean Time to Answer** measurement is critical in that it monitors the operator services and directory assistance answer times offered to MCI. In order to assure that an unjustified competitive advantage is not created for Bell Atlantic, the speed of answer delivered to MCI retail customers, when Bell Atlantic provides Operator Services or Directory Services on behalf of MCI, must be no slower than the speed of answer that Bell Atlantic delivers to its own retail customers of equivalent local services.

Speed of answer and call abandonment rates are monitored through the call management technology used to distribute calls to Bell Atlantic agents supporting MCI activities (i.e., call receipt personnel staffing Directory Assistance or Operator Service Positions).

Speed of Answer is determined by measuring and accumulating the elapsed time from the entry of a MCI retail customer call into Bell Atlantic call management system queue until MCI retail customer call is transferred to Bell Atlantic personnel assigned to handling calls for assistance (whether DA or OS). The elapsed time is measured in seconds and tenths of seconds rounded to the nearest tenth of a second.

This measure is directly analogous to speed of answer minimum service standards established within many states. Results may be reported for the CLEC industry in aggregate. See the "Center Responsiveness" measurement for the treatment of the situation where ILEC call management technology cannot measure speed of answer on a call basis from receipt to answer.

A performance standard should be attached to this measure to ensure that MCI receives a consistent and adequate level of service from Bell Atlantic. **More than 90% of calls involving answer by a "live" agent, separately for OS and DA services, are answered within 10 seconds. All calls involving answer by a Voice Response Unit, separately for OS and DA services, are answered within 2 seconds.**

---

[13] Operator Services and Directory Assistance measurements should be disaggregated by:

- operator services in aggregate
- directory assistance

PERFORMANCE MEASUREMENTS, STANDARDS, AND ENFORCEMENT ACTIONS

Network Performance

The **Network Performance Parity** measurement is necessary to monitor the quality of Bell Atlantic's network. The perceived quality of MCI's retail services, particularly when either Bell Atlantic services are resold for UNE combinations are employed, will be heavily influenced by the underlying quality of Bell Atlantic's network performance. Customers experience the quality of the service provider each time services are used. This metric monitors, when collected for both MCI and Bell Atlantic and then compared will help show whether MCI network performance is at least at parity with Bell Atlantic network performance.

Based upon a random and statistically reliable (at a preset level) sample of network configurations employed by MCI, the network performance parameter (as indicated in the reporting dimension) is monitored based upon generally accepted testing procedures and the resulting parameter value(s) recorded. The measured values are accumulated across the sample base and the mean and associated variance computed.

The following **Speed of Connection** standards should be employed to ensure that MCI receives a consistent and adequate level of network performance from Bell Atlantic:

- **Dial Tone Delay: < = 1.5% of calls delayed more than 3 seconds**
- **SS7 Performance:**
  - **A-Link, minutes unavailable per year, < = 2 minutes per year**
  - **D-Link, minutes unavailable per year, < = 2 minutes per year**
  - **SCP's Databases, < = 30 minutes per year**
  - **SCP's Databases, correctly updated, > = 99% in 24 hours**
- **911/E911 Performance**
  - **MSAG Databases, < = 0.1% down-time per year**
  - **911 / E911 engineered for, B.005 or less, call blocking standard**
  - **911 / E911 engineered for 7 digit call back-up to PASP location**
- **Grade of Service (Trunk Provisioning) Engineered for overall, P.01**
  - **End office to end office, B.01 Blockage**
  - **End office to local tandem, B.005 blockage**
  - **End office to access tandem, B.005 blockage**
  - **Final trunk groups, B.01 blockage**
- **Switch Availability, Average down-time per end office, per year: < = 3 minutes per year.**
- **Line Treatment (Routing) and Line Balancing: Parity**
- **Call Completion/Delivery Rate**

The following **Reliability Parameters** indicate thresholds that require the generation of a network performance report:

An outage lasting 2 minutes or more which:

- **affects 25% of a pair gain device serving a entire community,**
- **affects 25% or more of the DS1s/DS3s within a single route,**
- **any digital switch based outage affecting 64 or more lines,**
- **any failure of a DACS or FOTS affecting > 100%=DS1, DS3**
- **any adjunct network service such as operator services, directory assistance, voice processing services, or custom calling services**
- **an outage which affects 50% or more of a single toll or EAS trunk lasting for 15 minutes or more (where there is no alternate routing)**
- **Toll or EAS isolation of an entire exchange < = 2 minutes**
- **Total loss of an adjunct network services (e.g.: operator services, directory assistance, voice processing) >= 2 minutes**

Outages that must be reported:

- **All fires**
- **Any 911 tandem, data base or PSAP outage/isolation**
- **Any cable or electronics outage, which significantly impacts the operation of a major customer network.**
- **Any condition, if known, would assist in the operation of or prevent an outage in the CLEC network. Examples include mass calling events, extreme weather conditions, natural disasters or outages in other telecommunications companies' networks that may impact ours.**
- **Includes disaster recovery situations**
- **Dial tone delay affecting >=85% of in-service lines**
- **Failure of 50% of a single toll or EAS trunk group lasting more than 15 minutes with no alternate routing**
- **The isolation of 911 or PSAP service (50% of a 911 trunk group for >= 30 minutes)**
- **Significantly impacts the functionality of a major customer**
- **Total outage of AMA processing system or other billing system causing loss of revenue**

PERFORMANCE MEASUREMENTS, STANDARDS, AND ENFORCEMENT ACTIONS

Interconnect / Unbundled Loops and Combos[14]

As MCI uses individual elements (as well as element combinations) to deliver unique services , it is essential that the UNE functionality operates in a timely manner because of the crucial role played by such elements in providing quality retail services. This measure monitors individual network element (or element combinations), that do not have an apparent retail analog, to assure that MCI is afforded a meaningful opportunity to compete when element (or combination) functionality is utilized. The **Timeliness of Element Performance** and **Function Availability** measurements are critical measures of Bell Atlantic's element performance.

Timeliness of Element Performance will be measured for each unique UNE (or combination of UNEs) that delivers unique services. The number of times that the functionality executes properly within the established standard time frame will be accumulated and shown in comparison to the number of time that the execution of the functionality was requested or initiated.

Identical measurements are preformed where Bell Atlantic employs the same or reasonably comparable functionality. Where such analogs do not exist, Bell Atlantic is expected to establish to establish benchmark performance levels jointly with MCI for each requested functionality.

Bell Atlantic's failure to provide timeliness performance that is no worse that what its own retail operations experience when using comparable functionality or, where comparable functionality is not employed, failure to meet or exceed parameters established as a result of negotiation with MCI, constitutes a failure to deliver nondiscriminatory access. For each element (or element combination) requested where a retail analog is not identified, Bell Atlantic is expected to establish both a timeliness measure and a timeliness standard (Bell Atlantic functional analog or negotiated) jointly MCI unless MCI waives its right for such a measure. Typical databases for which standards are currently expected are AIN, LIDB and 800 Number. Comparisons of performance should be based upon the criteria for which the element was engineered. For example, if the element was engineered based upon average busy hour criteria, the comparison should be based upon MCI's busy hour period (likewise for criteria such as busy day, busy season or ten high days).

Function Availability will be measured for each unique UNE functionality (or combination of UNEs) that deliver a unique functionality that does not have a reasonable retail service analog. The number of times that the functionality executes properly will be shown in comparison to the number of times that the execution of the functionality was requested or

[14] The **Timeliness of Element Performance** and **Function Availability** measurements should be disaggregated by unique UNE or UNE combinations requested by MCI.

initiated. Availability can apply to both physical and logical (e.g. database) elements. Physical element availability (e.g. links to databases, dedicated transport, etc.) will typically be expressed as the % of time that the functionality is useable compared to the total time in the period being observed. "Useable" will typically means that , when monitored, the element indicates readiness to operate (e.g. an electrical (or equivalent) continuity is detected, expected signaling is returned, etc.) Logical element availability will typically be expressed in terms of the number of transactions successfully executed (e.g., successful database updates, success query responses) compared to the number of transactions attempted.

PERFORMANCE MEASUREMENTS, STANDARDS, AND ENFORCEMENT ACTIONS

Emergency Services

The **Mean Database Update Interval** and **Percent Database Updated Completed Within 24 Hours** are critical measures of Bell Atlantic's performance. MCI is committed to providing emergency services to their customers. Bell Atlantic has historically controlled the 911 databases, which MCI provides input to for their customers. Timely update of the 911/E911 database for customer location and telephone numbers included in the Automatic Location Identifier (ALI), is necessary in order that emergency services can be promptly dispatched to the proper location should an emergency occur. In addition, the selective router that determines which dispatch center is associated with each customer, must also be updated by Bell Atlantic. Timeliness of these updates can indeed become a "life and death" situation as customers attempt to reach emergency help dialing 911/E911. For the aforementioned reasons, as well as the fact that States require MCI to offer 911/E911 capability, it is important that Bell Atlantic Emergency Services databases be promptly updated to reflect MCI customer information.

The actual completion interval is determined for each update processed during the reporting period. The completion interval is the elapsed time from Bell Atlantic's receipt of a syntactically correct update from MCI to Bell Atlantic's return of a valid completion notification to MCI. Elapsed time for each update is accumulated for each reporting dimension (see below). The accumulated time for each reporting dimension is then divided by the associated total number of updates completed within the reporting period.

The percentage of updates completed on time is determined by first counting, for each specified reporting dimension, both the total numbers of updates completed within the reporting interval and the number of updates completed by the committed due date (as specified on the initial FOC returned to MCI). For each reporting dimension, the resulting count of updates completed no later than the committed due date is divided by the total number of updates completed with the resulting fraction expressed as a percentage.

The elapsed time for a Bell Atlantic update is measured from the point in time when the Bell Atlantic customer service agent enters the order into the Bell Atlantic order processing system until the date and time reported by Bell Atlantic that 911/E911 updates are completed. Results for MCI are captured and reported at the update level by Reporting Dimension (see below). The Completion Date is the date upon which Bell Atlantic issues the Update Completion Notice to MCI. If MCI initiates a supplement to the originally submitted update and the supplement reflects changes in customer requirements (rather than responding to Bell Atlantic initiated changes), then the update submission date and time will be the date and time of Bell Atlantic receipt of a syntactically correct update supplement. No other supplemental update activities will result in a change to the update submission date and time used for the purposes of computing the update completion interval. Elapsed time is measured in hours and

hundredths of hours rounded to the nearest tenth of an hour. Because this should be a highly automated process, the accumulation of elapsed time continues through off-schedule, weekends and holidays.

The following performance standard should be attached to emergency services database measurements: **all emergency services databases should be updated within 24 hours to ensure that MCI receives consistent and adequate service from Bell Atlantic.**

The **Percent** (Emergency Services) **Database Accuracy** measure is a critical measurement of Bell Atlantic performance. Due to the emergency nature of dealing with 911/E911 databases, the business implications of ensuring that databases be both updated promptly and updated accurately, are similar. MCI is committed to providing emergency services to their customers. Bell Atlantic has historically controlled the 911 databases, which MCI provides input to for their customers. Timely and accurate update of the 911/E911 database for customer location and telephone numbers included in the Automatic Location Identifier (ALI), is necessary in order that emergency services can be promptly dispatched to the proper location should an emergency occur. In addition, the selective router that determines which dispatch center is associated with each customer, must also be updated by Bell Atlantic. Timeliness and accuracy of these updates can indeed become a "life and death" situation as customers attempt to reach emergency help dialing 911/E911. For the aforementioned reasons, as well as the fact that States require MCI to offer 911/E911 capability, it is important that Bell Atlantic Emergency Services databases be accurately updated to reflect MCI customer information.

For each update completed during the reporting period, the original update that MCI sent to Bell Atlantic is compared to the customer address and telephone number reflected in the database following completion of the update in the ALI by Bell Atlantic. In addition, the "selective router" must be updated by Bell Atlantic at the same time, to ensure that the correct dispatch center is entered for each telephone number. .An update is "completed without error" if all updates and changes (as determined by comparing the original and the post update completion, and the Selective Router table) completely and accurately reflect the activity specified on the original and supplemental MCI updates and proper selective router. "Total number of updates completed" refers to update completions received by MCI from Bell Atlantic for each reporting dimension identified below.

Update Supplements - If MCI initiates any supplements to the originally submitted update, for the purposes of reflecting changes in customer requirements, then the cumulative effect of the initial update and all the supplemental updates will be determined by comparison of the pre- and post update completions. Completion Notices - To the extent that Bell Atlantic supplies a completion notice containing sufficient information to perform validation of database update accuracy, then the Completion Notice information can be utilized in lieu of the comparison of the "before" and "after" views. Use of the

completion notice for this purpose would need to be at the mutual agreement of and MCI. All Updates - The comparison is between the MCI update and the database as it existed before and after completion.

Sampling may be utilized to establish database update accuracy provided the results produced are consistent with the reporting dimensions specified, the sample methodology is disclosed in advance and reflects generally accepted sampling methodology, and the sampling process may be audited by MCI.

The following performance standard must be attached to the Percent Database Accuracy measurement to ensure that MCI receives an adequate and consistent level of service from Bell Atlantic: **Completed CLEC updates, by reporting dimension, are accurate no less than 99.9% of the time.**

The **Mean Interval to Provision 911/E911 Trunks**, **Percent Trunks Completed within 15 Days** and **Percent (E911) Trunk Blockage** measurements are fundamental components of a measurements program designed to monitor Bell Atlantic's performance. MCI cannot offer Local Exchange Service without 911/E911 capability. In order for MCI customers to be able to access Bell Atlantic's 911/E911, Bell Atlantic office trunk facilities need to be installed in a timely fashion. They also need to be provided in a quantity to minimize the risk of trunk blockage, which could prevent critical emergency call attempts from reaching 911. MCI customers need to be able to access Bell Atlantic's 911/E911 office on the first try due to the nature of their emergency situations.

The "Mean Interval to Provision 911/E911 Trunks" monitors how long it takes Bell Atlantic to add trunks, utilized by MCI customers, to improve capacity incoming to Bell Atlantic 911/E911 office. The actual completion interval is determined for each trunk added during the report period. The completion interval is the elapsed time from receipt of a request from MCI (or from creation of the trunk order by Bell Atlantic, if self-initiated), until return of a valid completion notification to MCI. The accumulated time is then divided by the associated total number of 911/E911 incoming trunks added within the report period.

The "Percent Trunks Completed within 15 days" monitors the Bell Atlantic ability to respond within 15 days to add trunks, utilized by MCI customers to access Bell Atlantic 911/E911 office. The percentage of trunks added in 15 days is determined by first counting, both the total numbers of 911/E911 trunks completed within the reporting interval and the number of 911/E911 trunks completed within 15 days. (as specified on the on the completion notification returned to MCI). The resulting count of trunks completed no later than 15 days is divided by the total number of 911/E911 trunks completed with the resulting fraction expressed as a percentage.

The "Percent (911/E911) Trunk Blockage" monitors overflow situations during the busiest hour of the Reporting Period for those trunk groups accessed by MCI customers to reach Bell Atlantic 911/E911 office. This metric is computed at the end of the reporting period. It looks at the busiest hour during the reporting period as defined by the highest peg count (call attempts on the trunk group). It then determines for that hour the count of overflow (those call attempts that were blocked due to inadequate trunking, trunks turned down due to maintenance, or other Network failures). It then computes the percentage of blocking for that busy hour. Percentage of blocking for trunk groups is monitored from MCI to the Bell Atlantic 911/E911 office.

Elapsed time is measured in days, hours and hundredths of hours rounded to the nearest tenth of an hour. Because this should be a highly automated process, the accumulation of elapsed time continues through off-schedule, weekends and holidays. Percentage of blocking for trunk groups is monitored from the Bell Atlantic end office to Bell Atlantic's 911/E911 office and from Bell Atlantic's tandem to the Bell Atlantic's 911/E911 office.

The following performance standards must be attached to the above emergency services trunk measurements to ensure that MCI receives a consistent and adequate level of service from Bell Atlantic. **911/E911 incoming trunk adds must be completed within 15 days. Trunk blockage on 911/E911 incoming trunk groups must be maintained at .5% or less.**

The Percent MSAG System Availability measure is a critical measure of Bell Atlantic's performance. The 911/E911 capability works properly when, after having dialed "911", a customer calling into the Dispatch Center, can accurately have their telephone number associated with the correct street address, and thus receive dispatched help quickly. MCI needs the addresses contained in the MSAG, under the jurisdiction of Bell Atlantic, to be able to associate the correct address with each telephone number. Fast response time in obtaining MSAG information is important in order that the appropriate 911/E911 databases can be updated promptly and accurately.

The total "number of hours MSAG was scheduled to be available" is the cumulative number of hours (by date and time on a 24 hour clock) over which Bell Atlantic planned to offer and support MCI access to Bell Atlantic's OSS functionality during the reporting period. Bell Atlantic must provide a minimum advance notice of one reporting period regarding availability plans and such plans must be interface-specific. If scheduled availability is not provided with at least one report period advance notice then the default availability for the subsequent reporting period will be seven days per week, 24 hours per day.

"Hours Functionality is Available" is the actual number of hours, during scheduled available time, that Bell Atlantic's gateway or interface is capable of accepting MCI

transactions or data files for processing in the gateway / interface and MSAG OSS(Operation Support System). The actual time available is divided by the scheduled time available and then multiplied by 100 to produce the "Percent MSAG system availability" measure.

The "available time" and "scheduled available time" is gathered for Bell Atlantic's MSAG OSS during the report period. The Bell Atlantic MSAG OSS availability is computed based upon the weighted average availability. That is, the available time for the MSAG is accumulated over the report period and then divided by the summation of the scheduled available time for the MSAG.

Parity exists if the MCI "Percent MSAG System Availability " is equal Bell Atlantic's MSAG System Availability. "Capability of accepting" must have a meaning consistent with Bell Atlantic's definition of "down time", whether planned or unplanned, for internal Bell Atlantic systems having a comparable potential for customer impact. Time is measured in hours and tenths of hours rounded to the nearest tenth of an hour.

The following performance standard should be attached to the MSAG measurement to ensure that MCI receives a consistent and adequate level of performance from Bell Atlantic. **Less than 0.1% of unplanned down time, by interface, during any business period.**

PERFORMANCE MEASUREMENTS, STANDARDS, AND ENFORCEMENT ACTIONS

Collocation

Collocation measurements must be included as part of Bell Atlantic's performance measurements program. Due to the natural evolution of local telephone services over the years, Bell Atlantic's own, rent, or lease buildings in most cities and towns. Many of these buildings house Bell Atlantic Central Office switches and equipment, giving them an advantage in the immediate marketplace. These same buildings often have extra space, due to technology compressing the size of equipment over time. In order to be able to compete and to install necessary equipment to do so, MCI needs access to space available in Bell Atlantic buildings or remote locations. Bell Atlantic needs to respond in a timely fashion to MCI requests. Delays will prevent MCI from serving customers, and thereby threaten to prevent meaningful competition in the marketplace.

The response interval for each space request is determined by computing the elapsed time from Bell Atlantic receipt of a space request from the MCI, to the time Bell Atlantic returns the requested information to the MCI. Elapsed time is accumulated for each space request, consistent with the specified reporting dimension, and then divided by the associated total number of space requests received by Bell Atlantic during the report period.

The "Percent Responses Received within 5 Business Days" is determined by first counting, for each specified reporting dimension, both the number of space request responses (via FOCs, Firm Order Confirmation Notices) received within 5 business days, and the number of space requests submitted in the reporting period. For each reporting dimension, the resulting count of space responses received within 5 business days, is divided by the number of space requests submitted in the reporting period and expressed as a percentage.

The "Percent Physical Commitments Met" is determined by first counting, for each specified reporting dimension, both the number of commitments met, and the number of commitments made (via FOCs) in the reporting period. For each reporting dimension, the resulting count of commitments met, is divided by the number of commitments made in the reporting period and expressed as a percentage. The same methodology applies to "Percent Virtual Commitments Met".

The following performance standards should be included with the above collocation measurements: **Requests for space should be responded to within 5 business days. Commitments Met should be equal to or better than 98%.**

ATTACHMENT B

A Sample of State Activity Concerning Performance Measurements, Standards, Reporting and Enforcement

I. Introduction

The Commission has proposed that model guidelines for performance measurements and reporting be developed to assist state commissions in examining this issue. Throughout the NPRM, the Commission alludes to work already underway in the states to deal with OSS performance. This document will provide a sample of some of MCI's experiences with state commission proceedings on performance.

At the outset, it is critical to note that there is very little in the way of aggressive work being done in the states on measurements and performance. This is due largely to the fact that state commissions are in the midst of addressing several matters pertaining to local competition and do not have the level of resources to delve deeply into this matter. MCI's belief is that the Commission can go a long way in aiding the states by taking a more aggressive role and propose model rules on performance measurements. Moreover, if the Commission is going to propose guidelines for performance measurements and reporting, it should go further and offer guidelines on the establishment of performance standards and enforcement. The following is a sample, by RBOC region, of performance issues examined by the states.

II. Ameritech Region

There have not been any state OSS proceedings opened in the five state Ameritech region (Illinois, Indiana, Michigan, Ohio, Wisconsin). With respect to the state arbitrations, there was no discussion or agreement concerning OSS performance matters. Moreover, MCI's contracts in this region do not contain any provisions or requirements detailing OSS performance. As part of

Michigan's 271 proceeding, OSS performance was considered.[1]

With respect to interconnection, unbundled network elements (UNEs) and resale, there are specific standards of performance and specified intervals addressed in the contracts[2] as well as credits and penalties for performance standards and failures.[3] The contract language is the same for all five Ameritech states.

In order to determine Ameritech's compliance with the performance benchmarks, parties maintain separate records of the specific criteria, such as UNEs, relating to what Ameritech provides to itself, its subsidiaries and affiliates and to other CLECs. Ameritech is required to provide MCI, on a monthly basis, their performance records, other LEC records and other CLECs records in order for all parties to determine Ameritech's compliance with the performance benchmarks. Failure to comply results in a "specified performance breach" with remedies outlined in the contract.

III. Bell Atlantic South Region

Generally, the Bell Atlantic South region has not adequately addressed OSS performance. The following details performance activity on a state-by-state basis for the region.

As an interim measure, the New Jersey Board of Public Utilities (NJ BPU) adopted performance standards proposed by AT&T in its arbitration with Bell Atlantic. The BPU staff is required to conduct a follow-up review of the interim performance standards. These interim standards fall far short of the work that LCUG has advocated. The staff has not addressed a

---

[1]Michigan Public Service Commission's Comments on Ameritech Michigan's Section 271 Application in FCC Docket CC No. 97-137, June 9, 1997.

[2]MCI contract, Articles 3.8, 9.10, and 10.9

[3]MCI contract, Schedule 3.8.10

further iteration of performance standards. MCI had filed the LCUG proposal, Version 6.1 with the BPU as part of its examination of local competition. Finally, MCI filed an OSS complaint on April 6, 1998 with the BPU requesting that Bell Atlantic be required to establish specific standards, penalties and credits.

During its arbitrations, the Pennsylvania Public Utility Commission (PA PUC) did not adopt any performance reporting, standards, penalties or credits. However, as part of a subsequent generic proceeding, the PUC did adopt limited performance reporting. On April 20, 1998, MCI filed an OSS complaint with the PUC which requested specific standards, penalties and credits on a limited number of OSS performance issues.

The District of Columbia Public Utility Commission (DC PUC) did not adopt any performance reporting, standards, penalties or credits during the arbitrations. To date, there have been no subsequent generic proceedings on performance standards/reporting.

The arbitrations held by the Maryland Public Service Commission (MD PSC) did not address any performance reporting, standards, penalties or credits. The PSC concluded that there was no need for examination of these issues. The state appeared to favor existing remedies which is generally, the filing of a formal complaint.

The Virginia State Corporation Commission (VA SCC) did not adopt any performance reporting, standards, penalties or credits during the arbitrations. However, the SCC solicited comments and initiated a subsequent generic proceeding on performance standards and reporting. MCI filed the LCUG proposal as part of that proceeding and requested that the SCC conduct a hearing on reporting, standards, measurements, penalties, and credits. To date, the SCC has not issued a procedural schedule.

During arbitrations in Delaware, the Public Service Commission (DE PSC) did not adopt

any performance reporting, standards, penalties or credits. In connection with approval of the AT&T/Bell Atlantic interconnection agreement, the DE PSC ordered Bell Atlantic to submit a written report demonstrating that its interfaces for obtaining access to OSS are capable of handling the reasonably expected demands for pre-ordering, ordering, provisioning, billing, repair and maintenance with respect to resale, UNEs, and UNEs offered in combinations.

IV. Bell Atlantic North Region

The New York Public Service Commission (NY PSC) has examined performance matters as part of both its service quality proceeding, as well as in the context of the NY Roadmap. However, in both cases, there are significant deficiencies.

A. NY Service Quality Proceeding

The NY service quality proceeding commenced in May 1997 and was designed to review the existing end user standards as well as to develop carrier to carrier standards. This process was overseen by an Administrative Law Judge (ALJ). There was a carrier sub-group established that included MCI, AT&T, AT&T Wireless, Time Warner, Rochester Telephone, ACC, and Bell Atlantic. This group began meeting in June 1997 with the goal of developing carrier measures and standards.

The guidelines would be in effect for one year (January - December 1998) and the working group established (including Bell Atlantic) would meet monthly to assess the data and determine if any of the measures or standards require modification.

While the measures proposed in the guidelines document are somewhat comprehensive -- 93 measures in total -- they fail to disaggregate on a business versus residential basis. This could enable Bell Atlantic to mask discrimination from one segment to another.

B. NY Roadmap

Perhaps of greatest concern is the way the roadmap deals with performance matters. It is very weak in adequately addressing these issues. Even more troubling is the prospect that it could serve as template for other parts of the country. The following are aspects of the roadmap of greatest concern to MCI.

Under the NY Pre-Filing Statement, Bell Atlantic is not bound by a single specific interval for providing functions to CLECs. For example, there are no intervals established to detail loop provisioning, or timeliness of repairs. Bell Atlantic can provide services to CLECs on its own schedule and not be held accountable. Instead of being bound to specific intervals that are reinforced by self-executing remedies, Bell Atlantic "offers" to meet a handful of intervals with no consequences of any kind.[4] Thus, a CLEC is unable to provide a definite commitment to a prospective customers. CLECs are then held hostage to Bell Atlantic.

With respect to performance standards, there is only a statistical definition of parity in the document, there are no fixed standards proposed. Standards determined by Bell Atlantic's performance means that MCI's performance is contingent on what Bell Atlantic reports. Moreover, standards tied to Bell Atlantic's performance, gives them the incentive to selectively degrade its own retail service in areas that may not be competitively significant for Bell Atlantic but which are critical for MCI.

The remedies that are proposed are far too weak to have any impact. Rather than requiring substantial credits for violation of specific standards, the NY roadmap includes minimal future price reductions for violation of parity. As an example, a price reduction of a future price discount of less than 3/10 of one percent, and a reduction of the reciprocal

---

[4]NY Pre-Filing Statement at p. 25.

compensation rate by 25/10,000 of one penny represent a non-existent attempt to impose remedies.[5]

With respect to critical measures, there are no fixed standards proposed. The only requirement made is that reports are filed as to whether parity is being provided under Bell Atlantic's definition. In cases of discrimination that lasts less than two months, Bell Atlantic's performance for all CLECs is grouped together before any credits apply.[6] Thus, Bell Atlantic could discriminate against the most threatening competitor but pay no credit by performing better to small, less threatening competitors that pose no serious competitive threat.

There are several critical measurements that are not included in the NY roadmap and that the Commission has included on its list of measurements.[7] With respect to non-critical measurements, Bell Atlantic is not required to pay any credit as long as its poor performance for one function can be offset by better performance for another function in the same area.

C. Massachusetts

With respect to performance measurements, Massachusetts has not adequately addressed performance standards and credits. The credits that have been proposed are small and fall within a range of $15 - $65 per incident. Performance will be evaluated based on Bell Atlantic's performance via monthly performance reports to determine parity with Bell Atlantic. Bell Atlantic is required to measure parity against what it provides to itself and affiliates, what it

---

[5]NY Pre-Filing Statement at p. 39.

[6]Ibid.

[7]Missing from the NY Pre-Filing Statement are: Mean FOC Interval, Mean Notification of Completion, Mean Time to Restore, Percent System Availability for Ordering, Mean Held Order Interval, Percent Flow Through, Average Offered Interval, Timeliness of UNE Element Performance.

provides to its largest 100 customers, and what it provides to CLECs overall as well as individual CLECs. Further, Bell Atlantic is required to provide parity measurements for two categories: 1) internal business processes which are the ordering and internal provisioning criteria, and 2) parity between what the Bell Atlantic end user versus the CLEC end user perceives with respect to services, such as provisioning.

The Massachusetts Department of Telecommunications and Energy (MA DTE) has determined that it will not require Bell Atlantic to measure anything that it currently does not measure for itself. For example, if Bell Atlantic does not measure its own performance for billing accuracy, it will not be required to do so for CLECs. This is not acceptable. Moreover the MA DTE is allowing Bell Atlantic to bundle its services for determining performance standards into only a few different "baskets" making it impossible to determine whether Bell Atlantic is meeting the parity requirement for individual services. Thus, Bell Atlantic can game the system, and provide parity for its less competitive services, while sacrificing parity for services for which there is more competition.

V. BellSouth Region

The Georgia Public Service Commission (GA PSC) commenced a proceeding to examine performance measurements (Docket 7892). The Commission's order was issued on April 17, 1998. While the proceeding addressed performance measurements, it did not take up the issue of performance standards or enforcement. In addition, while attempting to address a number of critical performance measures, the GA Order does not include some critical billing accuracy and UNE measurements.

In both Florida and Tennessee, there were limited performance measurements included as part of MCI's interconnection agreements. However, there were no provisions addressing

enforcement or the establishment of credits or penalties for failure to comply with the measurements that were established.

Finally, North Carolina does not intend to conduct any proceeding with performance measurements or standards. In addition, MCI's interconnection agreement does not include any performance measurements, nor does the Commission plan on imposing any.

VI. Southwestern Bell Region

Texas is the only state in the Southwestern Bell region that has address performance measurements. Also, it is the only state in the region that has a completed interconnection agreement.

The Texas Public Utility Commission (TX PUC) mandated participation by Southwestern Bell, MCI and AT&T in an OSS implementation workshop that resulted in Commission-ordered OSS deadlines for all the parties. With respect to enforcement, the TX PUC has taken a bad approach by allowing Southwestern Bell to rely on off-setting credits. Under this method, Southwestern Bell can build up credits for good behavior that will offset bad behavior.

In addition, the performance reports provided by Southwestern Bell to MCI provide no auditable detail that MCI can validate. These reports require that MCI rely on Southwestern Bell to assure that the information is accurate.

VII. Pacific Bell

The California Public Utility Commission (CA PUC) has a performance measurement proceeding currently underway.[8] As part of this process, there are workshops being held to address several matters pertaining to performance measurements. As part of this process,

---

[8]Monitoring Performance of Operations Support Systems, R. 97-10-016, I. 97-10-017.

Pacific Bell has proposed a monthly cap on the credits it would have to pay CLECs. Limits on credits and penalties will not do anything to adequately address the potential for Pacific to engage in discriminatory behavior.

There is a proposal similar to the TX PUC that would enable Pacific to rely on offsetting credits for bad behavior. This approach simply allows Pacific to game the process and does nothing to adequately respond to any attempt to provide a CLEC with poor performance.

With respect to disaggregation, Pacific has proposed levels that are insufficient for CLECs to use to determine if they are being provided service at parity comparable to that which Pacific provides itself and its customers. There are no plans by Pacific to report on product types defined within the categories of residential and business services.

VIII. US West Region

MCI has been working actively to raise the issue of measurements before the state commissions in the US West states. Only a few have attempted to address the issue.

Colorado has commenced a proceeding that is examining OSS. However, the proceeding does not address performance standards. With respect to penalties and credits, the Colorado Public Utility Commission (CO PUC) has based these on US West's current level of compliance achieved rather than a true objective parity standard. When the overall performance index results in a negative value, that value will be a proportional bill credit in terms of a percentage discount off the total bill for local service elements.

Arizona is currently examining performance measurements, although it is clear that it will not take up performance standards, or penalties and credits. Additionally, Oregon and Utah have commenced proceedings that are focusing largely on service quality standards and are not focusing on performance matters to any great degree.

ATTACHMENT C

Local Competition Users Group

Statistical Tests for Local Service Parity

February 6, 1998
Membership: AT&T, Sprint, MCI, LCI, WorldCom

Version 1.0

Executive Summary

The Local Competition Users Group has drafted 27 Service Quality Measurements (SQMs) that will be used to measure parity of service provided by incumbent local exchange carriers (ILECs) to competitive local exchange carriers (CLECs). This set of measures includes means, proportions, and rates of various indicators of service quality. This document proposes statistical tests that are appropriate for determining if parity is being provided with respect to these measurements.

Each month, a specified report of the 27 SQMs will be provided by the ILEC, broken down by the requested reporting dimensions. The SQMs are to be systematically developed and provided by the ILECs as specified. Test parameters will be calculated so that the overall probability of declaring the ILEC to be out of parity purely by chance is very small. For each SQM and reporting dimension reported, the difference between the ILEC and CLEC results is converted to a z-value. Non-parity is determined if a z-value exceeds a selected critical value.

Introduction

Purpose

The Local Competition Users Group (LCUG) is a cooperative effort of AT&T, MCI, Sprint, LCI and WorldCom for establishing standards for the entry of new companies (competitive local exchange carriers, or CLECs) into the local telecommunications market. A key initiative of the LCUG is to establish measures of parity for services provided by incumbent local exchange carriers (ILECs). In short, parity means that the support ILECs provide on behalf of the CLECs is no lesser in quality than the service provided by the ILECs to their own customers.

The LCUG has drafted a document listing service quality measurements (SQMs) that must be reported by the ILECs to insure that CLECs are given parity of suppport. The SQM document has been submitted to the FCC and made available to PUCs in all 50 states and is pending approval by many of these regulatory agencies. This document has been drafted to describe statistical methodology for determining if parity exists based on the measurements defined in the SQM document.

Service Quality Measurements

The LCUG has identified 27 service quality measurements for testing parity of service. These are:

Category	ID	Description
Pre-Ordering	PO-1	Average Response Interval for Pre-Ordering Information
Ordering and Provisioning	OP-1	Average Completion Interval
	OP-2	Percent Orders Completed on Time
	OP-3	Percent Order Accuracy
	OP-4	Mean Reject Interval
	OP-5	Mean FOC Interval
	OP-6	Mean Jeopardy Interval
	OP-7	Mean Completion Interval
	OP-8	Percent Jeopardies Returned
	OP-9	Mean Held Order Interval
	OP-10	Percent Orders Held >= 90 Days
	OP-11	Percent Orders Held >= 15 Days
Maintenance and Repair	MR-1	Mean Time to Restore
	MR-2	Repeat Trouble Rate
	MR-3	Trouble Rate
	MR-4	Percentage of Customer Troubles Resolved Within Estimate
General	GE-1	Percent System Availability
	GE-2	Mean Time to Anser Calls
	GE-3	Call Abandonment Rate
Billing	BI-1	Mean Time to Provide Recorded Usage Records
	BI-2	Mean Time to Deliver Invoices
	BI-3	Percent Invoice Accuracy